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Agenda item 116
Review of efficiency of the administrative and financial functioning of the United Nations

Draft resolution submitted by the Chairman following informal consultations

Outsourcing practices

The General Assembly,

Recalling its resolution 54/256 of 7 April 2000,

Having considered the report of the Secretary-General[1] on outsourcing practices and the related report of the Advisory Committee on Administrative and Budgetary Questions,[2]

1. *Requests* the Secretary-General to continue to ensure that programme managers are guided by the following four basic reasons for outsourcing:

(a) To acquire technical skills not readily available within the Organization, including accessing state-of-the-art technologies and expertise or acquiring needed flexibility to meet quickly changing circumstances;

(b) To achieve cost savings;

(c) To provide a source more effectively, efficiently or expeditiously;

(d) To provide an activity or service not needed on a long-term basis;

2. *Affirms* that at least the following three significant goals must be considered with regard to the use of outsourcing by the United Nations:

(a) To respect the international character of the Organization;

(b) To avoid a possible negative impact on staff;

(c) To ensure appropriate management and/or control over the activities or services that have been outsourced;

[1] A/55/301.
[2] A/55/479.

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3. *Affirms also* the firm commitment of the United Nations to provide fair treatment on as wide a geographical basis as possible to all participants involved in United Nations procurement activities, including outsourcing;

4. *Requests* the Secretary-General to continue the active consideration of outsourcing in accordance with the guidance and goals mentioned above and to ensure that programme managers satisfy all of the following criteria in their assessment on whether or not an activity of the Organization could be fully, or even partially, outsourced:

(a) Cost-effectiveness and efficiency: this is considered the most basic criteria. Unless it can be adequately demonstrated that an activity can be done significantly more economically and, at the very least, equally efficiently, by an external party, outsourcing may not be considered;

(b) Safety and security: activities that could compromise the safety and security of delegations, staff and visitors may not be considered for outsourcing;

(c) Maintaining the international character of the Organization: outsourcing may be considered for activities where the international character of the Organization is not compromised;

(d) Maintaining the integrity of procedures and processes: outsourcing may not be considered if it will result in any breach of established procedures and processes;

5. *Requests* the Secretary-General to report to the General Assembly at its fifty-seventh session on the following:

(a) Progress achieved with regard to the implementation of the provisions of the present resolution, including information on the location and type of outsourced activities and the reason for them;

(b) The activities outsourced during the years 1999-2000 by providing similar detailed information as mentioned in paragraph 5 (a) above;

6. *Requests* the Joint Inspection Unit to conduct a management audit review of outsourcing in the United Nations and the United Nations funds and programmes in accordance with existing practice and to report thereon to the General Assembly at its fifty-seventh session.